What’s it look like for 1984?  

Truth is, it looks like business will improve, but—

The improvement apparently will be along the order that wall and ceiling contractors were predicting a year ago. The phrase is “slow and steady.”

In some areas of the country, business activity is coming back with a burst—you hear positive expressions mostly in the booming Southeast and Southwest—but a milder form of prediction can be heard in spots elsewhere.

Industry consultant Harry E. Rourke, of Miami, wrapped it up rather succinctly when he predicted: “Coming out of this last recession has been a little different than coming out of the last two inasmuch as it is not tracking the very high inflation rate that other recoveries have. This is good and should offer stability to the recovery.

“For this reason,” Rourke feels, “and others, of course, 1984 should show a gradual and steady increase over 1983. Price increases should be modest for the most part with some exceptions. But all in all, 1984 and the balance of the 80’s will put a new demand on management with more involvement and less fat!”

Reduced public works spending and a softening of the housing market may lead to an easing off temporarily in the value of new construction. But these drop-offs are not permanent, most contractors feel, and the fact that 1984 will be an election year means that a solid foundation for the industry will remain in place for the next 12 months.

The last quarter of 1983 fell off about 3 percent. According to F.W. Dodge economist George Christie, the percentage decrease wasn’t particularly significant. After a year of steady increases, he said, the construction industry is taking a few months breather—over the holidays especially—and will remain strong.

In Southern California, Tom Flynn, of Specialty Contractors, Inc., Los Angeles, echoes the same opinion. “In general, the work volume will be fairly good,” he said, “and it will certainly remain as good as 1983. I don’t see it improving a great deal, but a contractor will be able to find work.”

Olympics Ineffective . . .

So far as the Los Angeles Olympics having any impact on the market, Flynn felt, its impact is already over. The election year is the best bet for a continued good construction industry—even if the government has to do a little pump priming.

Fred Tilzey, of Empire Lath & Plaster, in Billings, MT, feels the recovery is well under way but it’s slow and is going to remain that way through ’84. “There isn’t all that much work on the boards right now,” he told Construction Dimensions, “and what pickup there will be won’t
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amount to any mini boom.

“As actually,” Fred said, “this section of the country went into decline long after the recession hit the rest of the country—and we’ll just be a little late in coming back out again.”

Throughout the midwest, projections for 1984 remain optimistic in a guarded sense. Paul Halsey, of Adapa, in Kansas City, MO, is looking for a good year in construction. “I think it’ll be a very good year, coming off a good 1983,” he said. “It’s been active around here for the first time in quite a while with plenty of development in and around Topeka such as office buildings, new airport terminals, and a new civic center. It’ll be better here than 1983, I feel that’s certain”

Contractor Mick McLaughlin, of McLaughlin Contracting Co., Inc., St. Anne, MO, says there is pretty much “work being figured” in Missouri and at the rate the bid requests are coming in the year should be favorable.

“Compared to 1983,” he said, “it’ll be a better year. Once the weather breaks we expect the work flow to get going and remain strong right through to the end of the year and into 1985.”

Around the Columbus, OH area, though, construction activity seems to be slowing a bit.

“It was good through the first three quarters of 1983,” said Paul Vieth, of South Texas & Lone Star Dry Wall, Inc., “with a slowing down toward the end of the year.

“Still, though, we expect it to be about the same as 1983—which wasn’t all that bad of a year.”

Moving to the East, Jack Rudderow, vice president of James J. Martin & Sons, Cherry Hill, NJ, sees business activity remaining strong.

“As far as work is concerned,” he said, “we’ll hold our own because work is holding up well all over south New Jersey. We had a good 1983 and we fully expect to have another good year in 1984. There’s just too much breaking for the year to go sour—especially with elections coming on’

Al Bogert, of Bogert Plastics, Inc., in Doylestown, PA, also has an optimistic outlook for 1984. “I see improvement for ’84,” Al predicted, “although the residential should con-
More and more wall and ceiling contractors are taking a look at the entire interior of buildings—and some are into open office furnishings.

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Dave Boyes, chief executive officer for Ladd Tools, West Chester, PA, said 1983 was the biggest year ever for his company—and he sees an improvement for 1984.

“The coming 12 months should be a good business year for the entire construction industry;” Dave said. “The elections, the recovery, the backlog—everything points to a banner year over-all.”

Residential ‘On Hold’ . . .

In his projection for the year, Dodge’s Christie said the “recovery of the building industry, which had been driven by housing and public works until late 1983, will be ‘on hold’ for a while until commercial and industrial construction brings new trust!”

For most contractors, that means good news. Much of the luster is off the home building market temporarily, but the renovation and retrofit market continues strong—the same as it did through the recession.